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OF COUNSEL
URBAN A. LESTER

April 15, 1998

RECORDATION NO. 21330 FILED

APR 15 '98

11-06 AM

 Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), and the regulations thereunder, are three (3) copies of a Memorandum of Railcar Lease Agreement, dated April 15, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Norwest Equipment Finance, Inc.
733 Marquette Avenue
Minneapolis, Minnesota 55479

Lessee: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313

A description of the railroad equipment covered by the enclosed document is:

one hundred thirty-seven (137) covered hoppers bearing NRLX reporting marks and road numbers set forth on Exhibit A attached to the Memorandum.

RECEIVED
SURFACE TRANSPORTATION
BOARD
APR 15 11 06 AM '98

Mr. Vernon A. Williams
April 15, 1998
Page 2

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return two stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read "R. Alvord", written in black ink.

Robert W. Alvord

RWA/bg
Enclosures

MEMORANDUM OF RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of April 15, 1998 by and between Norwest Equipment Finance, Inc., a Minnesota Corporation ("Lessor") and NorRail, Inc., a Minnesota Corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Schedules to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Railcar Master Lease Agreement dated April 15, 1998 between Lessor and Lessee (hereinafter referred to as the "Lease").
2. Pursuant to Supplement No. 100 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the one hundred thirty-seven (137) 4750, 100 Ton Covered Hoppers bearing reporting marks and numbers indicated on Exhibit A hereto, all as more particularly described in the Lease.
3. The Lease shall be effective as of the execution date thereof and shall be subject to the term of the Lease, as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

LESSOR: Norwest Equipment
Finance, Inc.

By: Curtis J. Berkef

Its: Vice President

By: _____

Its: _____

LESSEE: NorRail, Inc.

By: Benjamin G. Guntz

Its: Vice President & General Counsel

By: Russell J. Adams

Its: Vice President

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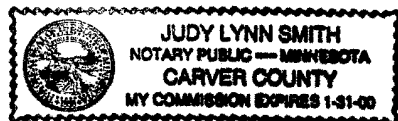
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#	CAR #	#	CAR #	#	CAR #
1	NRLX047600	47	NRLX047676	93	NRLX047756
2	NRLX047601	48	NRLX047677	94	NRLX047758
3	NRLX047602	49	NRLX047679	95	NRLX047760
4	NRLX047603	50	NRLX047680	96	NRLX047761
5	NRLX047609	51	NRLX047684	97	NRLX047762
6	NRLX047617	52	NRLX047685	98	NRLX047763
7	NRLX047621	53	NRLX047686	99	NRLX047764
8	NRLX047622	54	NRLX047689	100	NRLX047765
9	NRLX047624	55	NRLX047690	101	NRLX047767
10	NRLX047625	56	NRLX047691	102	NRLX047769
11	NRLX047628	57	NRLX047692	103	NRLX047770
12	NRLX047629	58	NRLX047693	104	NRLX047772
13	NRLX047630	59	NRLX047697	105	NRLX047773
14	NRLX047631	60	NRLX047698	106	NRLX047774
15	NRLX047634	61	NRLX047700	107	NRLX047775
16	NRLX047636	62	NRLX047701	108	NRLX047777
17	NRLX047638	63	NRLX047708	109	NRLX047778
18	NRLX047641	64	NRLX047710	110	NRLX047779
19	NRLX047642	65	NRLX047711	111	NRLX047781
20	NRLX047643	66	NRLX047712	112	NRLX047786
21	NRLX047644	67	NRLX047714	113	NRLX047787
22	NRLX047645	68	NRLX047716	114	NRLX047789
23	NRLX047646	69	NRLX047718	115	NRLX047790
24	NRLX047648	70	NRLX047719	116	NRLX047791
25	NRLX047649	71	NRLX047720	117	NRLX047792
26	NRLX047650	72	NRLX047722	118	NRLX047794
27	NRLX047651	73	NRLX047725	119	NRLX047795
28	NRLX047652	74	NRLX047728	120	NRLX047796
29	NRLX047654	75	NRLX047729	121	NRLX047797
30	NRLX047655	76	NRLX047730	122	NRLX047798
31	NRLX047656	77	NRLX047733	123	NRLX047799
32	NRLX047658	78	NRLX047734	124	NRLX047801
33	NRLX047659	79	NRLX047737	125	NRLX047803
34	NRLX047660	80	NRLX047738	126	NRLX047804
35	NRLX047662	81	NRLX047740	127	NRLX047805
36	NRLX047663	82	NRLX047743	128	NRLX047806
37	NRLX047664	83	NRLX047745	129	NRLX047807
38	NRLX047666	84	NRLX047746	130	NRLX047809
39	NRLX047667	85	NRLX047748	131	NRLX047810
40	NRLX047669	86	NRLX047749	132	NRLX047811
41	NRLX047670	87	NRLX047750	133	NRLX047813
42	NRLX047671	88	NRLX047751	134	NRLX047814
43	NRLX047672	89	NRLX047752	135	NRLX047815
44	NRLX047673	90	NRLX047753	136	NRLX047818
45	NRLX047674	91	NRLX047754	137	NRLX047820
46	NRLX047675	92	NRLX047755		

STATE OF MINNESOTA, COUNTY OF HENNEPIN TO WIT:

On this 10th day of April, 1998 before me personally appeared, Curtis J. Zoerhof and _____, to me personally known, who being by me duly sworn, says that they are the Vice President and _____, respectively of Norwest Equipment Finance, Inc., a Minnesota Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



Judy Lynn Smith
Notary Public

My commission expires: 1-31-00

STATE OF MINNESOTA, COUNTY OF WRIGHT TO WIT:

On this 9th day of April, 1998 before me personally appeared, Bradley C. Hunstad and Russell S. Adams, to me personally known, who being by me duly sworn, says that they are the VP - General Counsel and Vice President, respectively of NorRail, Inc., a Minnesota Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



Gail M. Blagsvedt
Notary Public

My commission expires: 1-31-2000